



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 19, 2011

Mr. David Goodwin
Vice President Compliance and Operations Services
Gulf South Pipeline Co., L.P.
9 Greenway Plaza, Suite 2800
Houston, TX 77046

CPF 2-2011-1001

Dear Mr. Goodwin:

On October 5 through November 20, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the Texas Gas Transmission, LLC (Texas Gas) pipeline facilities and records in Arkansas, Kentucky, Mississippi, and Tennessee pursuant to Chapter 601 of 49 United States Code.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations in Title 49 of the Code of Federal Regulations. The items inspected and the probable violations are:

1. **§192.709 Transmission lines: Record keeping.**
Each operator shall maintain the following records for transmission lines for the periods specified:
... (c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

Texas Gas failed to maintain records for relief valve capacity determinations for calendar year 2008 for its West Greenville District.

Texas Gas records its regulator valve, monitor, and relief valve inspections, including capacity reviews, on a *Regulator Condensed Inventory Inspection Records with Capacity Review* sheet in its *Condensed Inventory Report*. The *Condensed Inventory Report* presented to PHMSA for review during the inspection contained relief valve capacity determination reviews for calendar years 2006 and 2007 as well as multiple capacity determination reviews for calendar year 2009. The *Condensed Inventory Report*, however, did not contain capacity determination reviews for the relief valves listed in the table below for calendar year 2008 in its West Greenville District.

The capacity of relief devices must be determined at intervals not exceeding 15 months, but at least once each calendar year, by testing the devices in place or by review and calculations (see §192.743).

Valve Name	Description	Diagram #
4268-G-9 REL	Luzerne SMS	SLG3A+3.8
4802-G-141 REL	West Greenville Contactor	SLG4
4802-G-69-A REL	West Greenville Engine 1	SLG4
4802-G-70-A REL	West Greenville Engine 2	SLG4
4802-G-71-A REL	West Greenville Engine 3	SLG4
4802-G-69-A REL	West Greenville Storage	SLG4
4814-G-90-A REL	West Greenville Recip FMS	SLG4
4852-G-91-A REL	Greenville 6 Inch CRS	SLG4

2. §192.709 Transmission lines: Record keeping.

Each operator shall maintain the following records for transmission lines for the periods specified:

... (c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

Texas Gas failed to maintain records for valve maintenance requirements along its transmission pipeline for calendar year 2008.

PHMSA reviewed Texas Gas' mainline valve maintenance records for calendar years 2004 through 2007, and for calendar year 2009. However, Texas Gas did not have mainline valve maintenance records for calendar year 2008. The valve maintenance regulations in §192.745 require each transmission line valve that might be required during any emergency to be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.

3. **§192.745 Valve maintenance: Transmission lines.**

(a) Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.

Texas Gas failed to meet the regulation because it did not complete all valve maintenance, inspection, and partial operation requirements within the 15 months allowed by the regulation.

Texas Gas' Calvert City District valve inspection records indicated that certain valve maintenance and inspections exceeded the 15-month interval as follows:

- Valves MLS 39-1 through MLS 39-18 (total of 18 valves) exceeded the 15-month inspection interval by 3 days in 2007. Inspections were completed on April 13, 2006. To be in compliance these valves should have been inspected again no later than July 13, 2007. The inspections were not completed until July 16, 2007.
- Valves MLS 42-1 through MLS-21 (total of 21 valves) exceeded the 15-month inspection interval by 5 days in 2007. Inspections were completed on April 4, 2006. To be in compliance these valves should have been inspected again no later than July 4, 2007. The inspections were not completed until July 9, 2007.
- Valve MLS 42-184 exceeded the 15-month inspection interval by 33 days in 2009. The inspection was completed on April 15, 2008. To be in compliance this valve should have been inspected again no later than July 15, 2009. The inspection was not completed until August 18, 2009
- Valves MLS 42-309 through MLS 42-313 (total of 5 valves) exceeded the 15-month inspection interval by 34 days in 2009. Inspections were completed on April 15, 2008. To be in compliance these valves should have been inspected again no later than July 15, 2009. The inspections were not completed until August 19, 2009.

4. **§192.465 External corrosion control: Monitoring.**

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission line, not in excess of 100 feet (30 meters), or separately protected service line, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

Texas Gas failed to meet the regulation because the annual cathodic protection pipe-to-soil potential surveys along its Main Line System (MLS) pipeline exceeded 15 months by two days at eight cathodic protection test stations.

Texas Gas completed the 2008 cathodic protection annual survey on August 21, 2008, at the following test stations. The annual survey should have been completed no later than August 19, 2008 at these test stations.

- 479+0813; 3 test stations affecting Lines 20-1, 20-2, and 26-3
- 479+2462; 3 test stations affecting Lines 26-1, 20-2, and 30-1
- 479+2704; 3 test stations affecting Lines 26-1, 26-2, and 30-1
- 479+5103; 3 test stations affecting Lines 26-1, 26-2, and 30-1
- 481+0187; 3 test stations affecting Lines 26-1, 26-2, and 30-1
- 482+0804; 3 test stations affecting Lines 26-1, 26-2, and 30-1
- 483+2576; 3 test stations affecting Lines 26-1, 26-2, and 30-1
- 483+4171; 3 test stations affecting Lines 26-1, 26-2, and 30-1

Proposed Civil Penalty

Under 49 United States Code, §60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$19,600 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$9,800
2	\$9,800

Warning Items

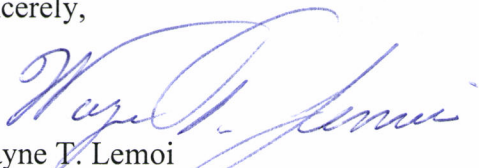
With respect to Item 3 and Item 4, we have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 2-2011-1001** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*